

# Government snub sparks exodus by biomass producers

Tim Webb

Britain's biggest biomass developers are quitting the country after accusing the government of discriminating against them in favour of the offshore wind industry.

David Williams, the chief executive of Eco2, a renewables developer, blamed a government U-turn on capping subsidies for small biomass plants fuelled with local supplies of straw or wood. He and his fellow Eco2 executives, who have developed more than half Britain's small biomass plants, have vowed to halt all activity from next year and are scouring the globe for new projects.

MPs said that snubbing such biomass projects was "absolutely bonkers" when the UK desperately needed new power generation to head off the threat of blackouts as Britain continues to close down coal-fired power stations.

Replacing them with more offshore wind farms, which earn subsidies that are nearly 50 per cent more expensive than biomass, will push up energy bills even more, claimed Jackie Doyle-Price, the Conservative MP for Thurrock, who campaigned against the closure of a dedicated biomass plant in her Essex constituency.

Dr Williams accused Ed Davey, the energy secretary, of earmarking the bulk of the limited pot of consumer-funded subsidies for more expensive offshore wind, leaving almost nothing for small or "dedicated" biomass plants.

"I asked Ed Davey why he is going for

offshore wind when he can have 65,000 jobs and have cheaper power," he said. "He said he was responsible for the 'longer term'.

"It's not just Ed Davey. There are a number of senior people at the department of energy and climate change who are biased against biomass.

"There is an overfocus on offshore wind. Because they don't have enough money, they want to make sure offshore wind gets enough and everything else they don't want to do falls by the way-side."

The previous government had outlined plans for five gigawatts of dedicated biomass plants to be built, which the industry claims would have created 65,000 jobs to run and supply them. Last year ministers said that they would cap the capacity of such plants to only 400 megawatts and would award the bulk of subsidies to giant coal plants that convert to burning biomass, such as Drax, in North Yorkshire. Of the 30 dedicated projects on the drawing board, only a handful will now be built.

Converted coal plants burn so much biomass, mostly wood chip, that it has to be imported, giving it a higher carbon footprint than smaller plants supplied locally.

A DECC official said: "The UK 2012 bioenergy strategy advised taking a cautious approach to dedicated biomass because it is not as cost-effective in terms of reducing greenhouse gases as other renewables. For this reason, we announced that new-build biomass will be capped to 400MW."